BUSINESS PLAN 2017–20
Transportation

ACCOUNTABILITY STATEMENT

This business plan was prepared under my direction, taking into consideration the government's policy decisions as of March 3, 2017.

original signed by

Brian Mason, Minister

MINISTRY OVERVIEW

The ministry consists of the Department of Transportation and the Alberta Transportation Safety Board.

Transportation contributes to enhancing Albertans' quality of life by providing a reliable, multi-modal, safe, efficient and effective transportation system that supports the ongoing development and diversification of Alberta's economy.

The ministry undertakes the following key activities:

- preserving and developing the provincial highway network;
- managing transportation safety;
- supporting municipalities with transit and water/wastewater facilities; and
- expanding and enhancing a multi-modal transportation system.

A more detailed description of Transportation and its programs and initiatives can be found at www.transportation.alberta.ca.

STRATEGIC CONTEXT

The outcomes and key strategies identified in this business plan are aligned with the strategic direction of the Government of Alberta.

Alberta operates in an increasingly complex global marketplace and faces challenging times. Markets have changed and Alberta needs to proactively respond to this new reality. Based on partnerships and long-term, transparent planning, the Government of Alberta is committed to a coordinated approach in providing a safe, efficient, environmentally responsible, sustainable transportation system that is affordable and meets the needs of all Albertans.

Collaboration and Partnerships: A coordinated approach across governments, municipalities, industry and other transportation stakeholders is critical to address Alberta's transportation needs. As part of the Government of Alberta's renewed relationship with Indigenous peoples, Transportation will ensure the principles of the United Nations Declaration on the Rights of Indigenous Peoples (UN Declaration) are integrated into our work. Alberta will continue working closely with all partners, stakeholders, and Indigenous peoples to build a relationship of trust and respectful consultation while supporting a safe, efficient, affordable and environmentally sustainable transportation system. The ministry is committed to connecting people and places within and between communities and will work with municipalities and other partners to enhance accessibility by supporting public transportation initiatives, including regional, urban and rural public transit and active transportation options.

Increasing Economic Diversification: Smart investments in transportation infrastructure will improve the movement of people and goods throughout the province and expand access to new industry and markets within Alberta, across Canada and internationally. The process of developing public transportation, roads, bridges and other infrastructure will also help to create jobs and contribute to stimulating economic recovery and stability. Ongoing support toward the development of effective connections between modes of transportation (road, rail, air, marine, public and active transportation) will enable a reliable and well-integrated system. The Government of Alberta will work with jurisdictional partners to promote opportunities for improvements to network supply chains and information management to encourage seamless intermodality, and support collaboration between commercial carriers and shippers working toward achieving effective harmonized standards and regulations.

Enhancing Safety and Security: The safe and secure movement of people and products in Alberta remains a priority. Transportation continues to develop educational, regulatory and technological advances along with dedicated plans to reduce serious injuries and fatalities on Alberta's roads. Traffic fatalities have declined by 32 per cent over the past four years and the ministry continues to implement traffic safety initiatives that strive to eliminate both fatalities and serious injuries. Transportation security will be enhanced by better understanding and responding to potential vulnerabilities of infrastructure, vehicles and users. The ministry is committed to restoring highways, bridges and other structures damaged by natural disasters such as wildfires and floods, and working with partners to better coordinate and enhance responses to emergency incidents involving dangerous goods.

Environmental Sustainability: Alberta's Climate Leadership Plan is a strategy to reduce carbon emissions while diversifying Alberta's economy. The ministry is committed to supporting a clean, healthy and sustainable environment and will work with its partners to support the transition to a lower carbon economy. The ministry will create programs that take action on climate change, specifically focusing on reducing emissions from the entire transportation sector. Transportation is committed to fostering partnerships with municipalities and Indigenous communities for programs and projects to further address climate change and reduce environmental risks. New and innovative practices must also be developed to enhance the efficient use of resources and water management infrastructure to protect the safe supply of water for domestic, agricultural, industrial and recreational uses. In alignment with the UN Declaration, the ministry will work with partners to ensure Indigenous communities have reliable access to clean and safe drinking water.

Strategic Asset Management: Transportation manages 31,400 kilometres of highways, the highest number of kilometres per capita in Canada, and nearly 4,500 bridges, including traditional bridges, interchange bridges and culverts. Strategic asset management is critical in a province with population growth, extreme weather conditions, diverse geography, significant heavy industry usage and sparsely populated regions, not only to maintain the existing transportation network infrastructure, but to continue to develop new, efficient and modern infrastructure. A collaborative and transparent decision-making process that considers safety, community support, intermodal connectivity, economic vitality, asset longevity, value for money and seamless delivery is vital to protecting these assets. Strategic investments to extend the life of essential transportation corridors will make the best possible use of available resources and ensure that Alberta's transportation system remains sustainable over the long term. The ministry will work with its partners to support regional, urban and rural municipal infrastructure priorities, including transit, while ensuring Alberta's transportation system supports the province's growing population.

OUTCOMES, KEY STRATEGIES AND PERFORMANCE MEASURES

Outcome One: Connected and Active Communities: Albertans have inclusive and accessible transportation options in and between communities

Alberta's transportation system will provide seamless integrated connections between modes and communities, including regional, urban, rural and Indigenous communities.

Key Strategies:

1.1 Develop and implement a comprehensive plan to expand and enhance a multi-modal transportation system that will connect communities and support active transportation to meet growing regional, urban and rural transportation needs.

1.2 Work with partners, including Indigenous peoples, to support local, regional and rural public transportation options, and develop strategies to promote accessible, affordable, and inclusive transit for families, vulnerable Albertans, seniors and people with disabilities.

1.3 Promote the development of public transportation options that better connect Albertans and influence community development.

Performance Measure(s) under Development:

A service measure is under development to reflect quality service and progress in improving transportation connections for communities.

Outcome Two: Competitiveness, Market Access and Economic Growth: A safe and efficient multi-modal transportation system that supports a diversified economy

All users have access to a transportation system with a variety of modes to safely transport products and people, from origin to destination, within Alberta, across Canada and internationally.

Key Strategies:

2.1 Implement transportation initiatives that promote economic growth and diversification in Alberta, supporting opportunities in sectors such as tourism.

2.2 Enhance access and mobility for transportation users, and support routes servicing major economic corridors and hubs.

2.3 Continue construction of the Calgary Ring Road.

2.4 Promote harmonized standards and regulations with jurisdictional partners and clearly communicate objectives to relevant industry.

Performance Measure	Last Actual 2015-16	Target 2017-18	Target 2018-19	Target 2019-20
2.a Ring roads in Calgary and Edmonton:				
• Percentage of combined ring road kilometres open to travel	80.6%	84.0%	84.0%	84.0%

Linking Performance Measures to Outcomes:

2.a This measure tracks the development of ring roads around Alberta's two major metropolitan areas to accommodate traffic growth in the Edmonton and Calgary regions, and enable economic activity in supporting the improved access and efficient movement of goods and people into and out of the regions. The Edmonton Ring Road was 100 per cent complete as of October 1, 2016 and continues to be reflected in this measure as it tracks the combined development of both ring roads.

Performance Indicator	Actual 2012	Actual 2013	Actual 2014	Actual 2015
2.a Alberta's exports by mode of transportation ($millions):				
• Intermodal (rail and marine)	21,983	24,450	27,352	24,039
• Road	9,572	7,623	8,966	8,160
• Air	1,651	1,781	1,886	1,784

Outcome Three: Safety and Security: Transportation safety and security is enhanced through educational, regulatory, technological and infrastructure improvements

The transportation system is safe and secure, protecting Albertans and working toward zero transportation-related deaths and serious injuries.

Key Strategies:

3.1 Continue to implement transportation safety strategies to prevent transportation-related deaths and serious injuries on Alberta's roads, as per the *Vision Zero* strategy.

3.2 Continue to develop amendments to the *Traffic Safety Act* and regulations to align with best practice and enhance the safety of transportation users.

3.3 Work with law enforcement, other levels of government, emergency responders and other emergency management partners to enhance incident response and emergency management processes.

3.4 Continue to work with industry partners to ensure the safe and secure transportation of dangerous goods through communities.

3.5 Strengthen critical infrastructure to reduce the impacts of small and large emergency incidents.

3.6 Continue to provide oversight and compliance reviews to ensure Alberta highways remain one of the safest in the county.

Performance Measure	Last Actual 2015-16	Target 2017-18	Target 2018-19	Target 2019-20
3.a Combined fatal and major injury collision rate per 100,000 population[1]	65.9	58.5	56.3	54.1

Note:

[1] Actual rate is calculated as a three-year rolling average.

Linking Performance Measures to Outcomes:

3.a This measure describes the rate of combined fatal and major injury collisions to support the ministry's continuing efforts to reduce the number and severity of traffic collisions and is also used to monitor progress on the Alberta Transportation Safety Plan.

Outcome Four: Environmental Stewardship: A transportation system that is managed in an environmentally responsible and sustainable manner

Alberta's transportation system supports economic growth while balancing the need to reduce negative environmental impacts in support of the long-term health and integrity of the environment.

Key Strategies:

4.1 In alignment with the Alberta Climate Leadership Plan the ministry will identify mitigations to advance energy efficiencies and reduce greenhouse gas and air contaminant emissions, including exploring the use of green infrastructure.

4.2 Investigate opportunities and partnerships for development and promotion of public transportation systems through grant funding programs that support more sustainable, energy efficient forms of transportation.

4.3 Work with partners to ensure all Albertans, including Indigenous communities, have reliable access to clean and safe drinking water and water/wastewater treatment systems and disposal facilities by providing funding through the Alberta Municipal Water/Wastewater Partnership and Water for Life.

Performance Measure	Last Actual 2014-15	Target 2017-18	Target 2018-19	Target 2019-20
4.a Percentage of municipal clients satisfied with overall quality of service (biennial survey)	93%	n/a	95%	n/a

Linking Performance Measures to Outcomes:

4.a The Client Satisfaction Survey is completed every two years and measures the satisfaction of municipal partners with the ministry's service for grant programs that support environmental stewardship.

Outcome Five: Innovation and Technology Integration: Alberta's transportation system adapts to new innovations and technologies

The transportation system is flexible and adaptable to rapidly evolving technologies and systems that will improve transportation safety, sustain the lifetime of transportation infrastructure and provide timely information to Albertans.

Key Strategies:

5.1 Continue to enhance the 511 Alberta Traveller Information Portal to provide transportation users with reliable and timely travel and road condition information.

5.2 Investigate and implement innovative technologies and approaches that support the safety and mobility of travellers.

5.3 Investigate and implement innovative technologies, standards and approaches to reduce costs and promote the long-term affordability and efficiency of the transportation system.

5.4 Continue to enhance the automated Transportation Routing and Vehicle Information Multi-Jurisdictional permitting system in collaboration with municipalities across Alberta, ensuring consistent overweight permit fee distribution to municipal partners to offset highway maintenance costs.

Performance Measure(s) under Development:

Measures on innovation and technology integration are under development to reflect progress toward reducing environmental impacts and improving process efficiencies.

Outcome Six: Long-term Sustainability and Affordability: Alberta can afford to maintain its existing transportation assets and invest in new strategic infrastructure

Transportation uses asset management principles to make investment decisions on enhancing and maintaining Alberta's transportation network.

Key Strategies:

6.1 Create and implement a transparent asset management plan in partnership with municipalities, other governments and industry and examine the long-term sustainability of the network.

6.2 Enhance transportation asset management planning to support strategic decision-making, taking into account life-cycle costs, and economic, environmental and social impacts.

6.3 Partner with the federal government to fund transportation infrastructure needs.

6.4 Implement approaches to ensure highway operations and maintenance programs achieve the best value for investment and the most effective results for Albertans.

Performance Measure	Last Actual 2015-16	Target 2017-18	Target 2018-19	Target 2019-20
6.a Physical condition of provincial highway surfaces:				
• Percentage in good condition	56.5%	55.5%	55.0%	55.0%
• Percentage in fair condition	27.0%	28.0%	28.5%	28.5%
• Percentage in poor condition	16.5%	16.5%	16.5%	16.5%

Linking Performance Measures to Outcomes:

6.a This measure defines the percentage of the paved highway network that is in good, fair or poor condition to support the economic and social growth of the province. It also enables the ministry to assess and sustain the quality of the network so that it is efficient for business, commuters, personal and commercial traffic.

RISKS TO ACHIEVING OUTCOMES

The ministry faces challenges and risks to delivering the outcomes identified in the business plan. The effects of low oil and gas commodity prices are leading to economic hardship for many Albertans. Strategic risks that affect the ministry's operations and its ability to achieve its outcomes include the current economic downturn. The Government of Alberta is committed to achieving better outcomes to ensure communities are safe, and the transportation system is accessible and responsive to Albertans' needs. The ministry will work closely with all partners and stakeholders to address challenges that exist. The following strategic risks have the potential to impact the ministry's ability to achieve its outcomes.

- Technology and society are evolving together at a rapid pace, creating diverse needs and uncertainty about future requirements. The ministry must be ready to adapt and respond to these dynamic, system-wide changes, and will require new ways of doing business, updates to existing legislation, regulations and technology, as well as renewed infrastructure and training.
- The transition of baby boomers to retirement could lead to the loss of institutional knowledge. Lack of certain workforce skills, knowledge transfer and capacity will affect the efficiency and effectiveness of the ministry. Succession planning, cross training and other human resource initiatives will enable Transportation to manage the transition.
- Transportation manages 31,400 kilometres of highways, the highest number of kilometres per capita in Canada, along with associated bridges and other road infrastructure. Transportation must employ a strategic asset management approach, including a life-cycle approach to planning, prioritizing, maintenance and rehabilitation, to enhance and preserve transportation assets and ensure best value for investment.
- Legislation, policies, services, programs and public awareness campaigns may need to evolve to continue to ensure the safety and security of the transportation system and the people who use it.

STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable					
	2015-16 Actual	2016-17 Budget	2016-17 Forecast	2017-18 Estimate	2018-19 Target	2019-20 Target
REVENUE						
Internal Government Transfers	-	-	-	**1,400**	500	500
Other Transfers from Government of Canada	6,798	8,294	8,289	**8,662**	8,662	8,662
Building Canada - Base Component	7,397	7,397	7,397	**7,397**	7,397	7,397
Building Canada - Major Infrastructure Component	4,673	4,673	4,673	**4,673**	4,673	4,673
Infrastructure Stimulus Fund	4,221	4,221	4,221	**4,221**	4,221	4,221
Public Transit Infrastructure Fund	-	-	27,496	**284,984**	34,720	-
Clean Water Wastewater Fund	-	-	5,000	**165,000**	26,700	-
Premiums, Fees and Licences	28,714	33,900	33,900	**33,900**	33,900	33,900
Refunds of Expense	4,467	1,475	1,475	**1,475**	1,475	1,475
Other Revenue	34,446	27,900	20,931	**16,844**	15,428	15,428
Ministry Total	90,716	87,860	113,382	**528,556**	137,676	76,256
Inter-Ministry Consolidations	(88)	-	-	**(1,400)**	(500)	(500)
Consolidated Total	90,628	87,860	113,382	**527,156**	137,176	75,756
EXPENSE						
Ministry Support Services	31,586	31,723	31,861	**32,206**	32,802	32,575
Program Services and Support	28,562	28,320	27,984	**28,224**	29,011	29,600
Traffic Safety Services	32,434	35,878	35,365	**35,707**	36,439	37,175
Alberta Transportation Safety Board	1,681	2,360	2,360	**2,340**	2,387	2,387
Provincial Highway Maintenance and Preservation	903,958	956,839	950,960	**997,382**	1,035,597	1,072,953
Capital for Emergent Projects	100	-	-	**-**	-	-
Municipal Transit and Transportation Grant Programs	220,476	125,000	131,564	**619,410**	370,000	366,124
Municipal Water Infrastructure Grant Programs	61,564	130,000	123,436	**130,000**	181,000	133,000
Federal Grant Programs	-	-	32,496	**449,984**	61,420	-
Water Management Infrastructure	-	-	-	**30,315**	24,797	32,284
2013 Alberta Flooding	2,500	-	-	**42,812**	11,900	-
Ring Roads - Debt Servicing	70,741	82,527	82,527	**94,258**	92,131	90,149
Ministry Total	1,353,602	1,392,647	1,418,553	**2,462,638**	1,877,484	1,796,247
Inter-Ministry Consolidations	(702)	-	-	**(73,127)**	(36,697)	(32,284)
Consolidated Total	1,352,900	1,392,647	1,418,553	**2,389,511**	1,840,787	1,763,963
Net Operating Result	(1,262,272)	(1,304,787)	(1,305,171)	**(1,862,355)**	(1,703,611)	(1,688,207)
CAPITAL INVESTMENT						
Ministry Support Services	3,782	5,405	6,222	**5,782**	4,882	4,882
Capital for Emergent Projects	4,607	2,023	1,814	**-**	-	-
Ring Roads	735,889	527,456	447,136	**382,500**	356,429	377,891
Northeast Alberta Strategic Projects	291,899	96,675	49,314	**43,275**	65,924	-
Provincial Highway Construction Projects	251,643	303,916	248,423	**456,385**	286,285	239,043
Bridge Construction Projects	29,218	55,672	58,896	**68,150**	85,550	103,000
Provincial Highway Rehabilitation	277,659	381,172	380,042	**388,000**	428,000	462,589
Water Management Infrastructure	10,465	21,914	11,283	**39,432**	20,000	20,000
2013 Alberta Flooding	56,347	41,711	37,590	**18,000**	-	-
Ministry Total	1,661,509	1,435,944	1,240,720	**1,401,524**	1,247,070	1,207,405
Inter-Ministry Consolidations	-	-	-	**(1,400)**	(500)	(500)
Consolidated Total	1,661,509	1,435,944	1,240,720	**1,400,124**	1,246,570	1,206,905